

Amendment No. 1 to SB1319

Southerland
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 1319*

House Bill No. 1726

by deleting all text after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 56-7-127, is amended by deleting subsections (a), (b) and (c) in their entirety and substituting instead the following:

(a) The general assembly recognizes that the availability and affordability of medical insurance coverage is lacking for many Tennesseans who are uninsured. Accordingly, insurance providers in this state are encouraged to develop plans that provide coverage for basic and essential health care needs.

(b) Plans developed pursuant this section may be offered only to members of a sponsoring organization. To qualify as a sponsoring organization, the organization shall:

(1) Be a Tennessee non-profit corporation in existence for at least five (5) years and organized as a trade or professional association having the purpose of serving employers predominantly consisting of fifty (50) or fewer employees;

(2) Have members that support the associations by regular payment of dues on a periodic basis in order to maintain eligibility for membership in the association;

(3) Be created in good faith for a purpose other than being a sponsoring organization;

(4) Not condition membership in the association on the basis of health status related factors with respect to the employees of association members or the dependents of such employees;

(5) Endorse the medical insurance plans to be offered to its members; and

(6) Make a determination that the medical insurance plans are consistent with its members' needs and objectives.

(c) The plans developed under this section are not required to provide any of the mandated coverages or the mandated offers of coverage required pursuant to parts 23, 24, 25, or 26 of this chapter, except to the extent that a specific mandated coverage is essential to the provision of health care for an illness requiring inpatient hospital care, or is related to compliance with pharmacy requirements.

SECTION 2. This act shall take effect upon becoming law the public welfare requiring it.